

Service Disabled Veteran Owned Business Enterprise
License No. [REDACTED]

October 5, 2010

Submitted Via E-Mail

[REDACTED]
[REDACTED]
2255 Stevens Drive
Richland, WA 99354

RE: REQUEST FOR PROPOSAL NO. 212560; 200 AREA EXPLOSIVE DEMOLITION Rev. 4

[REDACTED], a Service Disabled Veteran Owned Small Business, is pleased to present this revision 4 to the quotation for upcoming work for the [REDACTED]

Included within are the requested updated pricing sheets and revised cost breakouts. [REDACTED] changed our G&A rate to 8.46% from 10%. I would like to point out that I misspoke about our DCAA audit; [REDACTED] has not received a full blown DCAA audit. DCAA did visit the [REDACTED] corporate offices twice in 2010 in reference to two DOE proposals and they only verified the current rates, which could change by the end of the year. This means that the 8.46% G&A is still a provisional rate and is the reason we used the last actual G&A rate of 10%.

Additionally we found two errors in our cost worksheet. First we overlooked adding the fringe to our travel cost. Furthermore we found an error in how our mark-ups were calculated; we found that the [REDACTED] profit was only calculated on the [REDACTED] Construction direct cost while it should have been on the direct costs and G&A. The current worksheet addresses this error. In totality the total proposal cost was reduced by about \$7300.00.

We have also spoken with our subcontractor [REDACTED] and briefed them on your intention to have DCAA perform an Audit of their rates. While [REDACTED] has no objections to this process, [REDACTED] will not accept contingent approval of their price based on the outcome of the audit. As we have discussed, [REDACTED] is a specialty contractor that has established a fee structure based on historical pricing for projects of similar magnitude previously performed at DOE sites. The price submitted by [REDACTED] should be considered their best and final price.

If you have any questions concerning the information provided please contact me at any time.

[REDACTED]
[REDACTED]
[REDACTED] President

Construction**Solicitation # 212560**

200 Area Explosive Demolition

Proposal Summary - Rev. 4

Description	Cost
Demo 284E stacks and 284 WB bag house filter structures	\$ 703,729.50
Demo 284E and 284W conveyor structures and 284E coal silo	\$ 144,178.85
Demo 284W stacks and 284 WB bag house filter structures	\$ 571,173.56
Demo 2902W water storage towers	\$ 121,886.24
Demo 2902E water storage towers (OPTION)	\$ 49,373.46
Total	\$ 1,590,341.61

EXHIBIT A
Technical Assumptions

1. The bid assumes performing the demolition of the 284E Stacks, the 284EB Bag-House Filler Structures and the 284E Coal Silo in one (1) mobilization to the site, the demolition of the 284W Stacks and the 284WB Bag-House Filler Structures in a second mobilization to the site and demolition of the two (2) water towers in a third mobilization.
2. 2902E Water Tower is now an option, and if exercised is assumed to be on the same mobilization as 2902W.
3. The bid assumes that the 284 East project is performed first and therefore that line item contains the training cost, seismic evaluation, linear shaped charge procurement and transportation for all the phases (LSC's are required for the water towers and bag houses).
4. The bid does not include extra protection for the walls behind the stacks; CHPRC should protect the walls behind the stack with steel plates per lessons learned from the 100K; Upon review of the video of the base of the 100KE Stack when it was demolished, you will notice that there is a tremendous amount of air that was ejected out of the base of the stack towards the rear when the structure hit the ground. This condition caused no problems at the KE site as there was a reinforced concrete wall behind the stack. The concern that we have on the 200 Project is that there are CMU walls directly behind the stacks to be demolished and transite paneling on the 284 East and 284 West Buildings to remain. In order to deflect the air blast away from directly hitting the walls behind the structures, CDI will not be felling the stacks directly away from the buildings, but angling the fall of the structures somewhat to deflect some of the air blast.
5. Another lesson learned at the 100 Area was the damage to the old, brittle, transite siding as a result of air blast generated by blasting operations. Although on the 200 Area, we will not be generating the air overpressure from explosives which could damage the transite, but we will, as previously mentioned, generate a lot of air pressure from the fall of the structure. In any case, disposition of the transite siding (especially at ground level) should be addressed by [REDACTED] prior to the commencement of any demolition work.
6. It should also be noted, that due to the presence of lean concrete poured in the base of the 284E Coal Silo (high side on the north, tapering to the south), the ONLY direction that we are quoting to fell the silo is to the south toward the existing conveyor system.
7. No Performance or Payment bonds are required.
8. Training to be provided by [REDACTED] per the RFP and if equivalent training is not accepted.
9. Hot Work (oxy/propane) is allowed.
10. Assumes (5) continuous training days for workers.

	UM	Rate	Total
284 East Chimneys and 284EB Bag House			
Note (1)	300 Hrs	50.00	15,000.00
(1)	Superintendent ST		
(1)	240 Hrs	60.00	14,400.00
(1)	Project Manager		
(1)	1000 Hrs	30.00	30,000.00
(2)	Labor (4)		
(2)	20 Days	18.00	360.00
(3)	Labor Travel		
(3)	Fringe on direct labor	36.97%	22,093.27
(4)	Airfare		
(4)	6 Ea	\$400.00	2,400.00
(4)	Subsistence/Lodging (9)		
(4)	120 Days	100.00	12,000.00
(5)	Compressor		
(5)	4 WK	295.00	1,180.00
(5)	Generator		
(5)	4 WK	577.00	2,308.00
(5)	80 Ft Man Lift		
(5)	8 WK	1,400.00	11,200.00
(5)	Skid Steer w/ Hammer		
(5)	8 WK	900.00	7,200.00
(6)	Misc Supplies		
(6)	1 Ea	4,000.00	4,000.00
(7)	Equipment Mob		
(7)	8 Ea	200.00	1,600.00
(5)	Oxy/Propane		
(5)	32 Ea	200.00	6,400.00
(5)	Conveyor belt		
(5)	100 LF	500.00	50,000.00
(5)	Sand bags		
(5)	200 Ea	2.00	400.00
(5)	Fabric/Fence		
284 West Chimneys and 284EB Bag House			
Note (1)	300 Hrs	50.00	15,000.00
(1)	Superintendent ST		
(1)	240 Hrs	60.00	14,400.00
(1)	Project Manager		
(1)	1000 Hrs	30.00	30,000.00
(2)	Labor (4)		
(2)	20 Days	18.00	360.00
(3)	Labor Travel		
(3)	Fringe on direct labor	36.97%	22,093.27
(2)	Airfare		
(2)	6 Ea	\$400.00	2,400.00
(4)	Subsistence/Lodging (9)		
(4)	120 Days	100.00	12,000.00
(5)	Compressor		
(5)	4 WK	295.00	1,180.00
(5)	Generator		
(5)	4 WK	577.00	2,308.00
(5)	80 Ft Man Lift		
(5)	8 WK	1,400.00	11,200.00
(5)	Skid Steer w/ Hammer		
(5)	8 WK	900.00	7,200.00
(6)	Misc Supplies		
(6)	1 Ea	4,000.00	4,000.00
(7)	Equipment Mob		
(7)	8 Ea	200.00	1,600.00
(5)	Oxy/Propane		
(5)	32 Ea	200.00	6,400.00
(5)	Conveyor belt		
(5)	100 LF	500.00	50,000.00
(5)	Sand bags		
(5)	200 Ea	2.00	400.00

284 East Cost Template

131,041.27	Profit on Subs
463,415.31	Prime G&A
12,500.00	Eng
475,915.31	Subcontractor Costs
131,041.27	Prime Direct Subtotal
606,956.58	Total
23,795.77	Profit on Subs
51,348.53	Prime G&A
18,238.98	Eng
700,339.85	Subcontractor Costs
3,389.64	WASH B&O
703,729.50	Total

284 West Cost Template

131,041.27	Profit on Subs
348,008.02	Prime G&A
12,500.00	Eng
360,508.02	Subcontractor Costs
131,041.27	Prime Direct Subtotal
491,549.29	Total
18,025.40	Profit on Subs
41,585.07	Prime G&A
17,262.63	Eng
568,422.40	Subcontractor Costs
2,751.16	WASH B&O
571,173.56	Total

284 East CHPRC Cost Template

45,888.77	
65,130.51	
12,500.00	Eng
77,630.51	Subcontractor Costs
45,888.77	Prime Direct Subtotal
123,519.28	Total
3,881.53	Profit on Subs
10,449.73	Prime G&A
5,633.85	Prime Profit
143,484.39	Subtotal
694.46	WASH B&O
144,178.85	Total

2902W Tower CHPRC Cost Template

16,715.59	
88,671.15	
88,671.15	Subcontractor Costs
16,715.59	Prime Direct Subtotal
105,386.74	Total
4,433.56	Profit on Subs

8,915.72	Prime G&A
2,563.13	Prime Profit
121,299.15	Subtotal
587.09	WASH B&O
121,886.24	Total

2902E Tower CHPRC Cost Template

14,443.59	
27,910.67	
27,910.67	Subcontractor Costs
14,443.59	Prime Direct Subtotal
42,354.26	Total
1,395.53	Profit on Subs

3,583.17	Prime G&A
1,802.68	Prime Profit
49,135.64	Subtotal
237.82	WASH B&O
49,373.46	Total

Note

284E Coal Silo

(1)	Superintendent ST	80	Hrs	50.00	4,000.00
(1)	Project Manager	80	Hrs	60.00	4,800.00
(1)	Labor (2)	80	Hrs	30.00	2,400.00
(1)	Operator	80	Hrs	40.00	3,200.00
(2)	Labor Travel	20	Days	18.00	360.00
(3)	Fringe on direct labor			36.97%	5,456.77
(4)	Substance/Lodging (5)	25	Days	100.00	2,500.00
(5)	Compressor	1	Wk	295.00	295.00
(5)	Generator	1	Wk	577.00	577.00
(5)	80 Ft Man Lift	1	Wk	1,400.00	1,400.00
(5)	Excavator	1	Wk	8,000.00	8,000.00
(6)	Misc Supplies	1	Ea	4,000.00	4,000.00
(7)	Equipment Mob	8	Ea	200.00	1,600.00
(5)	Oxy/Propane	32	Ea	200.00	6,400.00
(5)	Conveyor belt	100	Lf	5.00	500.00
(5)	Sand bags	200	Ea	2.00	400.00

2902W Water Tower

(1)	Superintendent ST	40	Hrs	50.00	2,000.00
(1)	Project Manager	40	Hrs	60.00	2,400.00
(1)	Labor (2)	40	Hrs	30.00	1,200.00
(2)	Labor Travel	5	Days	18.00	90.00
(3)	Fringe on direct labor			36.97%	2,103.59
(2)	Airfare	2	Ea	\$400.00	800.00
(4)	Substance/Lodging	10	Days	100.00	1,000.00
(5)	Compressor	1	Wk	295.00	295.00
(5)	Generator	1	Wk	577.00	577.00
(5)	80 Ft Man Lift	1	Wk	1,400.00	1,400.00
(6)	Misc Supplies	0.5	Ea	4,000.00	2,000.00
(7)	Equipment Mob	4	Ea	200.00	800.00
(5)	Oxy/Propane	8	Ea	200.00	1,600.00
(5)	Conveyor belt	50	Lf	5.00	250.00
(5)	Sand bags	100	Ea	2.00	200.00

2902E Water Tower

(1)	Superintendent ST	40	Hrs	50.00	2,000.00
(1)	Project Manager	40	Hrs	60.00	2,400.00
(1)	Labor (2)	40	Hrs	30.00	1,200.00
(2)	Labor Travel	5	Days	18.00	90.00
(3)	Fringe on direct labor			36.97%	2,103.59
(2)	Airfare	2	Ea	\$400.00	800.00
(4)	Substance/Lodging	10	Days	100.00	1,000.00
(6)	Misc Supplies	0.5	Ea	4,000.00	2,000.00
(7)	Equipment Mob	4	Ea	200.00	800.00
(5)	Oxy/Propane	8	Ea	200.00	1,600.00
(5)	Conveyor belt	50	Lf	5.00	250.00
(5)	Sand bags	100	Ea	2.00	200.00

Rev Pricing for 2902 E W Water Towers

2902W Water Tower					2902E Water Tower				
	Hours	Unit	Rate	Total		Hours	Unit	Rate	Total
CDI Principal	70 Hrs		108.65	7605.5	CDI Principal	10 Hrs		108.65	1086.5
CDI Super	70 Hrs		55.26	3868.2	CDI Super	10 Hrs		55.26	552.6
CDI Principle Travel	10 Hrs		108.65	1086.5	CDI Principle Travel	10 Hrs		108.65	1086.5
CDI Super Travel	10 Hrs		55.26	552.6	CDI Super Travel	10 Hrs		55.26	552.6
Labor Burdon			7%	917.896	Labor Burdon			7%	229.474
Labor OH & Fringe			118%	15473.1	Labor OH & Fringe			118%	3868.276
Skilled Labor Reg	80 Hrs		45	3600	Skilled Labor Reg	80 Hrs		45	3600
Skilled Labor OT	20 Hrs		67.5	1350	Skilled Labor OT	20 Hrs		67.5	1350
Laborers Travel	20 Hrs		45	900	Laborers Travel	20 Hrs		45	900
Subsistence	28 days		125	3500	Subsistence	14 days		125	1750
Airfares	2 ea		1000	2000	Airfares	2 ea		1000	2000
Rental Car	32 days		75	2400	Rental Car	10 days		75	750
Blasting supplies	1 LS		5000	5000	Blasting supplies	1 LS		1750	1750
Torches	22 Ea/Day		7	154	Torches	6 Ea/Day		7	42
Explosives	1 LS		11500	11500	Explosives	0 LS		11500	0
Explosives Delivery	1 LS		2100	2100	Explosives Delivery	0 LS		2100	0
Total Direct				62007.8	Total Direct				19517.95
G&A			30%	18602.34	G&A			30%	5855.385
Subtotal				80610.14	Subtotal				25373.34
Profit			10%	8061.014	Profit			10%	2537.334
Total				88671.15	Total				27910.67